Consumer Protection Commission FY 2018 Annual Report



Fairfax County Board of Supervisors



Sharon Bulova Chairman

Penelope A. Gross Vice Chairman Mason District

John C. Cook **Braddock District**

John W. Foust **Dranesville District**

Pat Herrity Springfield District

Catherine M. Hudgins Hunter Mill District

Jeffrey C. McKay Lee District

Kathy L. Smith **Sully District**

Linda Q. Smyth **Providence District**

Daniel G. Storck Mount Vernon District

Contents

Fairfax County Board of Supervisors	1
Contents	2
Chairman's Message	3
Executive Summary	4
Consumer Protection Commission	6
Consumer Inquiries	S
Consumer Complaints	10
Complaint Arbitration	12
Complaint Summaries	13
Community Outreach	15
In Review	18

Chairman's Message

I am pleased to report the Consumer Protection Commission continues to help protect Fairfax County consumers from illegal, fraudulent, or deceptive consumer practices in the marketplace. The Commission members work together with staff of the Department of Cable and Consumer Services to fulfill the goals of the Commission.

I want to sincerely thank the Fairfax County Board of Supervisors for the opportunity to serve the residents and businesses of Fairfax County.

John T. Fee Chairman **Consumer Protection Commission**



Executive Summary

The Consumer Protection Commission was established in 1964 by the Board of Supervisors. The Commission serves to help protect consumers from illegal, fraudulent, and deceptive consumer practices in the marketplace.

The Commission is responsible for the recommendation of the allocation of taxicab certificates and taxicab rates, and the consideration of license and permit appeals on the denial, suspension, or revocation of hackers, peddlers and solicitors, pawnbrokers, massage therapists and massage establishments, and tow operators. In addition, the Commission analyzes consumer issues in Fairfax County and makes recommendations to the Board of Supervisors as needed. The Commission



meets to hear license and permit appeals, to review information updates from the cable franchise operators (Comcast, Cox, and Verizon), to hold public hearings on taxi rates and taxicab certificates, and to review and approve staff recommendations to proposed County Code revisions.

Staff support for the Commission is provided by the Consumer Affairs Branch of the Department of Cable and Consumer Services.

Consumer Affairs responded to 7,991 case inquiries in FY 2018, which included consumer complaints, advice calls, and customer walk-ins. Inquiries processed were on a variety of consumer issues such as tenant-landlord, home improvement, cable television, towing, and retail.

Consumer Affairs also mediates and investigates consumer complaints and offers voluntary, but legal and binding, arbitration when mediation efforts have been exhausted.

The Commission participates with Consumer Affairs in providing community outreach to educate the public on information and resources available through Consumer Affairs. Presentations are made throughout the year to community groups, homeowner associations, condominium associations, civic associations, senior centers, schools, and faith-based and non-profit organizations. Consumer Affairs conducted 265 presentations throughout the community during FY 2018.

The Commission assists with the development of educational material in partnership with Consumer Affairs, Fairfax County Government Channel 16, other County agencies, and

community stakeholders. Consumer Affairs publishes this information on social media, the County Web site, and Fairfax County Government Channel 16.

After voluntary mediation or arbitration is completed, the case is closed, and a summary outlining the details of the complaint is made available to the public on the County Web site. Reviewing complaint summaries offers consumers an overview of Consumer Affairs mediation efforts and can also provide helpful information on businesses operating in Fairfax County.

The Commission is committed to creating awareness and knowledge of the services available to the community. The Commission ensures both consumers and businesses are aware of their rights and responsibilities through education, information, mediation, and arbitration.

Consumer Protection Commission



John T. Fee Chairman

Denis Gulakowski Vice-Chairman

Jacqueline G. Rosier Secretary

Harold G. Belkowitz, Esq.

Wesley P. Callender

Dirck A. Hargraves

Scott Hine

Umair Javed

Mehmood S. Kazmi

Dennis Dean Kirk, Esq. **Abrar Omeish**

Michael J. Roark

The Board of Supervisors established the Public Utilities Commission in 1964 and in June of 1972 the Board designated the Commission to address consumer protection issues and changed the name to the Consumer Protection and Public Utilities Commission. The name was changed to the Consumer Protection Commission on March 2, 1981.

The Commission is composed of Fairfax County residents appointed by the Board of Supervisors to three-year terms. The Commission has 13 members, of which at least seven are consumers not actively engaged in business in Fairfax County.

The business of the Commission is guided by the Bylaws adopted by a majority vote of the Commission members and approved by the Board of Supervisors.

The mission of the Commission is to help protect Fairfax County consumers from illegal, fraudulent, and deceptive consumer practices in the marketplace.

The duties of the Commission are to:

- Advise the Board of Supervisors on issues regarding consumer affairs, cable communications, and taxicabs;
- Work with the Department of Cable and Consumer Services on consumer issues;
- Hear license and permit appeals; and,
- Hold public hearings to approve applications for taxicab certificates.

During FY 2018, the Commission meetings included the following items:

HACKER LICENSE APPEAL - JULY 2017

After review and discussion, the Consumer Protection Commission directed staff to reinstate the hacker license of a taxicab driver whose renewal had been previously denied.

TOWING ORDINANCE - SEPTEMBER 2017

The Regulation and Licensing Branch presented an overview of proposed changes to Fairfax County Code Chapter 82-5-32, Removal, immobilization, and disposition of Vehicles unlawfully parked on private or county property. These changes would align the Fairfax County Code with the Code of Virginia. The towing ordinance was subsequently approved by the Board of Supervisors on December 5, 2017.

CABLE OPERATORS - OCTOBER 2017

Comcast, Cox Communications, and Verizon each reported on their company, services offered, customer service, and community initiatives.

CONSUMER PROTECTION COMMISSION OFFICER NOMINATIONS – DECEMBER 2017

The Commission called for and received nominations for officer positions to be voted on during the annual officer elections.

CONSUMER PROTECTION COMMISSION OFFICER ELECTIONS – JANUARY 2018

The Commission held officer elections for the positions of Chairman, Vice Chairman, and Secretary. Commissioners were voted into these positions for a term of one year.

NATIONAL CONSUMER PROTECTION WEEK - FEBRUARY 2018

Consumer Affairs provided an overview of the event, presentations, consumer booths, and Facebook Live programs scheduled for March 5-9, 2018.

AUTO SALES AND REPAIRS - APRIL 2018

Consumer Affairs gave a presentation on buying a vehicle, choosing the right repair shop, getting repairs, and the Virginia Automobile Repair Facilities Act requirements.

PRECIOUS METALS & GEMS/PAWN SHOPS - MAY 2018

The Regulation and Licensing Branch gave a presentation on the current precious metals and gems and pawn shops industries. Staff also discussed the impact of Federal Code 18 U.S.C. § 701 which prohibits the copying of military and other sensitive identification cards and upcoming Fairfax County Code changes.

CONSUMER PROTECTION COMMISSION ANNUAL REPORT – JUNE 2018

The Commission reviewed a draft copy of this annual report, including Consumer Affairs data for FY 2018. The Commission approved the report, which will be distributed to the Board of Supervisors in July 2018.

The Commission meets the third Tuesday of each month at 7:30 p.m. at the Fairfax County Government Center. Meetings are open to the public with time available for public comment.

Additional information on the Commission, including a copy of this annual report, is available on the Commission Web site at https://www.fairfaxcounty.gov/cableconsumer/csd/consumerprotection-commission.

Consumer Inquiries

Consumer Affairs responds to inquiries for information, offers advice, provides referrals, and assists consumers with mediation regarding consumer issues.

Inquiries include complaints, advice, and customer walk-ins. Inquiries vary from month to month for a variety of reasons such as holidays, tax season, weather, school, and travel.

During FY 2018, Consumer Affairs responded to 7,991 inquiries relating to tenant-landlord, home improvement, cable television, towing, and retail issues. Case inquiries tend to be higher during the annual National Consumer Protection Week held in March.

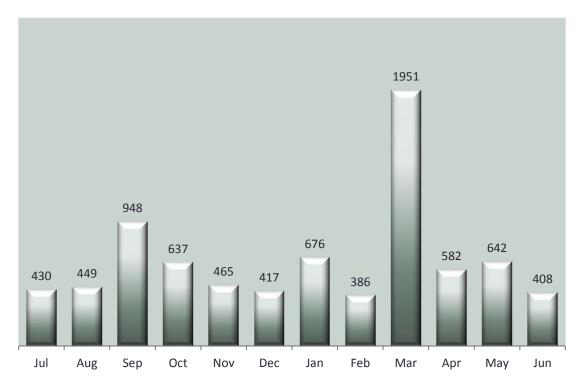


Figure 1 Consumer Inquiries for Fiscal Year 2018

Consumer Complaints

Consumers may file a complaint with Consumer Affairs. Through mediation, a Consumer Specialist works with the consumer and business to assist both parties in reaching a favorable resolution.

In FY 2018, Consumer Affairs mediated and investigated consumer complaints on a variety of topics, such as tenant-landlord, home improvement, cable television, towing, and retail.

Tenant-landlord complaints include security deposit issues, maintenance issues, and lease terminations. Home improvement complaints include contractors failing to complete work, faulty service or repairs, and warranty issues. Cable television complaints include billing issues, reception quality, and private property restoration. Towing complaints include unauthorized tows, towing fees, and failure by towing companies to properly display warning signs. Retail complaints include disputed charges, warranty issues, and refund policies. The "Other" category includes complaints related to internet and wireless service billing, medical billing, new and used vehicle purchases, vehicle repairs, and home warranty issues.

The chart below shows complaint trends over the last five years with tenant-landlord issues being the most received complaint over that time.

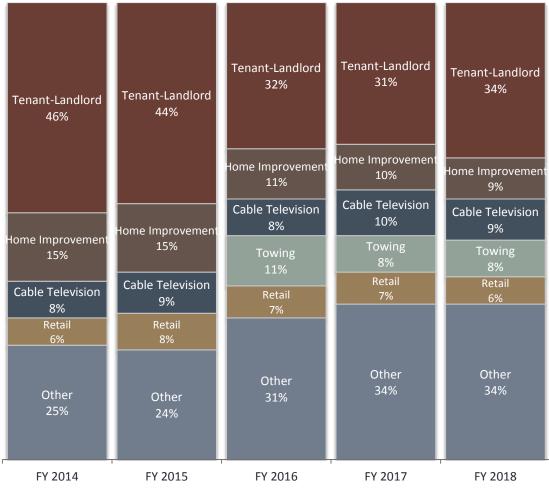


Figure 2 Consumer Complaint Categories from Fiscal Year 2014 to 2018

While there has not been a significant change in the total number of consumer complaints, a variety of factors can lead to slight variations in the type of complaints received from year to year.

Consumers have the ability to file a complaint on the County Web site, in-person, or through the U.S. Mail. Once a complaint is filed, a Consumer Specialist works with the consumer and business to assist both parties in reaching a favorable resolution. Through the mediation efforts provided by Consumer Affairs, \$545,844 was recovered for consumers in FY 2018.

Complaint Arbitration

When mediation efforts are exhausted, a voluntary, but legally-binding arbitration process is available. Arbitration provides an efficient and free alternative to court for resolving consumer complaints.

In FY 2018, one consumer arbitration hearing was held after Consumer Affairs mediation efforts were exhausted. Following is a summary of the arbitration case:

MAKE-UP BREAK-UP

A consumer purchased beauty products from a business, valued at over \$7,900. After the purchase, the consumer attempted to return the products for a refund and alleged the business would not refund the purchase price or honor the terms of the refund policy. After a resolution could not be reached through mediation, the consumer and business submitted an agreement to Consumer Affairs for binding arbitration. The hearing was conducted by a three-member panel selected by the consumer and business. Testimony and evidence was presented by both parties. After deliberation, the arbitration panel ordered the consumer to return the previously purchased products to the business. The arbitration panel also ordered the business to issue a refund to the consumer for the returned products in the amount of \$3,918.36.

Complaint Summaries

Consumer Affairs publishes case summaries of all closed complaints within the last three years on the County Web site. Reviewing complaint summaries offers consumers an overview of Consumer Affairs mediation efforts and can also provide helpful information about businesses operating in Fairfax County.

Complaint summaries featuring comments from consumers satisfied with the mediation provided by Consumer Affairs are highlighted below:

DATING SERVICE

can't express my gratitude. I am very grateful..."

Thu B., the consumer, contracted with a business for dating services. Within hours she cancelled the service and requested a full refund. Thu alleged the business failed to refund \$7,995 in a timely manner. After Consumer

Affairs intervention and mediation, the business issued a credit of \$7,995 to the consumer's credit card account.

CREDIT CARD OFFER

Helena W., the consumer, contracted with a business for a credit card. After using the credit card for one year, she planned to close the account, but the business offered her

50,000 bonus miles if she kept the account open and spent \$3,000. Helena spent over \$7,000 yet the business failed to apply the bonus miles. After Consumer Affairs intervention and mediation, the business agreed to honor the bonus miles and the consumer confirmed the bonus miles were applied to the account.

ENA W 긆

"...I would like to take this opportunity to thank staff for their tireless effort in resolving my dedication of Fairfax County officials like you that we can be proud to reside in this great

STORM DAMAGE

David C., the consumer, contracted with a business for home improvement repairs as the result of a storm. David agreed to additional repairs outside of the contract, but requested

"The lien was released on Consumer Affairs staff's very grateful to you...'

the contractor hold off on painting his home. David alleged the contractor charged for the painting which the contractor did not perform. After Consumer Affairs intervention and mediation, the contractor issued a credit for the uncompleted painting, but claimed David still owed \$52,307.60 remaining on the

contract for work the contractor completed on the home. Through further Consumer Affairs mediation, the consumer and business signed a settlement agreement whereby the consumer agreed to pay the business \$45,403.80 to resolve the matter. In return, the business agreed to remove the lien on the consumer's home.

Community Outreach

Consumer Affairs analyzes trends and issues of concern in response to complaints received and mediated by staff. This analysis is used to develop educational information for outreach, publications, and programming.

Consumer Affairs develops educational programs for audiences of all ages on current consumer topics and trends. Consumer Affairs provides outreach presentations throughout the year to community groups, homeowner associations, condominium associations, civic associations, senior centers, schools, and faith-based and non-profit organizations.

Consumer Affairs conducted 265 outreach events in FY 2018, with higher volume of events occurring during the school year and National Consumer Protection Week in March.

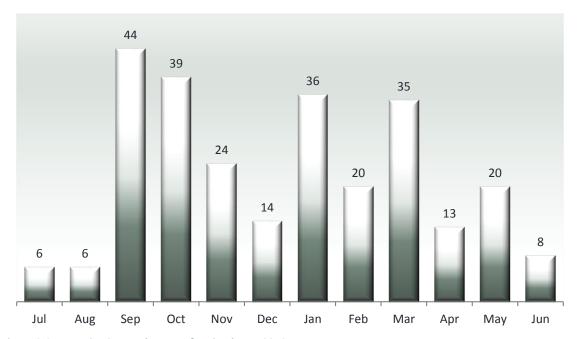


Figure 3 Community Outreach Events for Fiscal Year 2018

Consumer Affairs offers presentations on the following topics:

- All About Consumer Affairs
- **Automobile Sales and Repairs**
- **Data Breaches**
- Door to Door Scams
- **Financial Education**
- **Funeral Planning**
- High School 101
- Home Improvement

- **Identify Theft**
- Medical Identify Theft
- Online Holiday Shopping
- **Scams Against Seniors**
- What Landlords Need to Know
- What Tenants Need to Know
- What's in Your Credit Report
- When Debt Collectors Call

Consumer Affairs promotes services through publications such as the Informed Consumer electronic newsletter, a comprehensive Web site, and social media.

Consumer Affairs participates in the following consumer programs and initiatives:

CONSUMER FOCUS

Consumer Affairs records a program highlighting various consumer issues that is televised on Fairfax County Government Channel 16 and also available through Video-on-Demand on the County Web site.

CONSUMER CONNECTION

Consumer Affairs hosts a monthly Facebook Live chat on consumer topics, such as Fraud Prevention, Imposter Scams, Auto Sales and Repairs, Summer Rentals, and Travel Scams. Viewers are able to comment with questions that are answered in real-time during the online chat.

YOUR COMMUNITY, YOU'RE CONNECTED

Consumer Affairs hosts a bi-monthly program on various homeowner association issues and trends. This program is televised on Fairfax County Government Channel 16 and also available through Video-on-Demand on the County Web site.

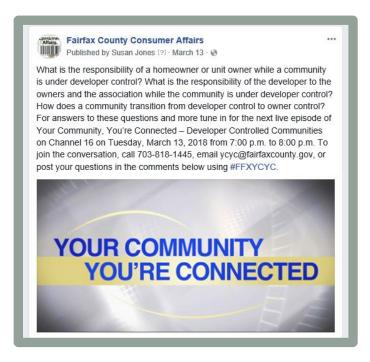
SILVER SHIELD ANTI-SCAM CAMPAIGN

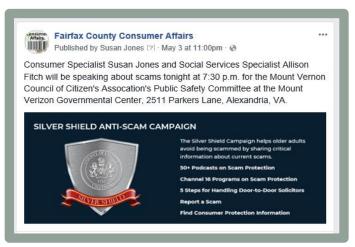
Consumer Affairs is a partner agency in the County's Silver Shield initiative. This campaign helps older adults avoid being scammed by sharing critical information about current scams. Resources available include outreach presentations at community events, podcasts, Fairfax County Government Channel 16 programs, publications, and Web sites with additional information.

FINANCIAL EXPLOITATION PREVENTION TASKFORCE

Consumer Affairs is a partner agency on the County's Taskforce. This taskforce meets monthly to review prevention and intervention strategies for assisting older adults with issues such as scams and exploitation. Consumer Affairs regularly participates in the Speakers Bureau associated with this initiative.

Consumer Affairs regularly posts to social media on relevant consumer information including tips, warnings, and resources. Commissioners also share consumer tips with fellow constituents. Following are several examples advising the public of relevant consumer issues and information:









April 2018 Consumer Tips from Fairfax County Consumer Protection Commissioner Jacqueline G. Rosier

Your Credit Report Matters, Get Your Report Free:

Credit reports may affect your mortgage rates, credit card approvals, apartment requests, or even your job application. Federal law allows you to get a free copy of your credit report every 12 months from each credit reporting company. Annual Credit Report.Com is authorized to provide free credit reports at:

https://www.annualcreditreport.com

If you have a consumer issue, contact Fairfax County Consumer Affairs at 703-222-8435, like them on Facebook at <u>Fairfax County Consumer Affairs</u> or visit their webpage at

https://www.fairfaxcounty.gov/cableconsumer/csd/consumer



In Review

The Commission and Consumer Affairs monitor consumer trends to ensure educational information is made available to consumers so they can make informed decisions. The Commission is committed to serving consumers and businesses to make certain that all state and County codes are met. The Commission continues to make recommendations on taxicab certificates and rates to the Board of Supervisors, adhere to the appeals process for licenses and permits, and stay abreast of changes to legislation that affect consumers.

Fairfax County Consumer Protection Commission

12000 Government Center Parkway, Suite 433 Fairfax, VA 22035

703-222-8435 TTY 711

https://www.fairfaxcounty.gov/cableconsumer/csd/consumer-protection-commission https://www.fairfaxcounty.gov/cableconsumer/csd/consumer www.facebook.com/fairfaxcountyconsumer



Fairfax County is committed to nondiscrimination on the basis of disability in all County programs, services and activities. Reasonable accommodations will be provided upon request. For information, call the Department of Cable and Consumer Services, 703-222-8435 TTY 711.



A Fairfax County, Va., publication